

CITY OF BUFFALO URBAN RENEWAL AGENCY (BURA)

FOUR YEAR PLAN

2021-2025

Grant revenues are primarily based on funding allocations from the U.S. Department of Housing and Urban Development. The amounts allocated may change from year to year. Effective January 2013, all entitlement funds are received by the City of Buffalo and paid to BURA as a sub-recipient. BURA is responsible for the administration and program delivery of services related to these entitlements.

Grant revenues are accruable to the extent of expenditures paid and accrued, subject to the limit of the awarded grant amount, plus program income earned. As expenditures increase or decrease, so do grant revenues. Therefore, unless we have reached the grant maximums (which we have not), we are not overly concerned about changes in grant revenues from the original budgeted amounts. Any revenues not drawn in the current year will be available for future year operations. In addition to the current budget, there is also unspent grant monies available from prior years that have rolled over into the current budget and will continue to roll over into future years until all monies have been spent. These rolled over monies are reflected on the budget to actual report.

FY 2021-2020 Total BURA Entitlement Award:

| | |
|--|-------------|
| Community Development Block Grant (CDBG) | \$7,182,552 |
| Projected CDBG Program Income | \$1,000,000 |
| HOME | \$3,388,749 |
| Projected HOME Program Income | \$ 120,000 |

Projected BURA 2021-22 CDBG Budget: \$7,182,552

- 20% of the total City of Buffalo projection of CDBG funds and 20% of the projected program income received during the current year are eligible to be utilized towards administrative expenses. The total overall City of Buffalo CDBG award projection is \$13,926,260. The 2021-22 budget Includes \$2,985,252 allocated to administrative costs.
- \$4,622,300 is projected to CDBG Program Delivery, Crime Prevention, and Housing activities. The following are the respective line item budgets:
 - Emergency Loan Program Single and Multi-Family Rehab: \$3,500,000
 - Program Delivery including Belmont, CPI Contracts, and Program Delivery for Housing Rehab, Demolitions, and Public Facilities work: \$1,495,000
 - Crime Prevention Program Delivery: \$202,300

Projected BURA HOME 2021-22 Budget: 3,388,479

- 10% of the total projection of HOME funds and 10% of the projected program income received during the current year are eligible to be utilized towards administrative expenses. The 2021-2022 budget Includes \$350,848 allocated to administrative costs.
 - HOME regulations site that prior year HOME Program Income is allocated to proceeding year Annual Action Plan activities with the exception of the HOME administration allowable 10% of current year Program Income. The projected program income for the 2021-2022 Fiscal Year is \$120,000.
- \$3,157,631 is projected to HOME Program Delivery and Housing Activities. The following are the respective Line item budgets:

- CHDO Activities: \$508,272
- Substantial Rehab Owners and New Construction/Renters: \$2,589,359
- HOME Project Delivery: \$60,000

Projected BURA 2021-22 CDBG CV (Coronavirus) Budget: \$6,576,298

- The City of Buffalo was awarded \$11,440,746 in CARES Act funding in response to the Coronavirus (Covid) pandemic that is budgeted to provide programming to assist with preventing rent evictions and foreclosure, Fair Housing, renter and owner rehab projects, and economic development through a microenterprise grant program.
- BURA is the subrecipient of this funding and the budget is based on a three (3) year spend down plan
- 6%, or \$700,000, of the CARES Act funding has been allocated to administrative costs over the three (3) year period. The 2021-22 budget includes \$350,000 allocated to administrative costs

Projected BURA 2021-22 Lead Hazard Grant Budget: \$1,019,477

- The City of Buffalo was awarded 2,023,602 in Federal Funds for a Lead Hazard initiative that administers several activities that impact abandoned properties
- BURA is a subrecipient of \$1,853,595 of the grant
- The budget is based on a three (3) year spend down plan

Projected BURA 2021-22 Treasury Grant Budget: \$442,770

- The City of Buffalo was awarded \$7,572,096 in Federal funding to assist with rental assistance initiatives in response to Covid
- BURA will be the subrecipient of the 10% administrative allocation of the grant totaling \$757,210. The 2021-22 \$180,000 allocated to administrative costs.
- The budget is based on a two (2) year spenddown plan

Projected BURA 2021-22 Non-Federal Budget: \$1,395,916

- \$20,000 Housing Opportunity Fund - Restricted
- \$360,196 LISC Fund - Restricted
- \$530,000 Cities Rise - Restricted
- \$485,000 General Fund – Unrestricted
 - Includes administrative revenue for servicing BMHA and Rental Assistance Corp. Section 8 programs, Parking Rental Revenue, Designated Developer Fee Revenue, and other Miscellaneous Revenues

BURA is budgeted at a staffing level of 44. There are currently seven (7) vacant positions. Reimbursements from federal grants are based on actual payroll costs, therefore there are no accrued savings created by any of these vacant positions. Of the seven

- Total Projected costs of salaries and fringe in FY 2021-22 is \$3,945,771. Fringe rates are assumed at a rate of 60-64% of salaries over the course of the four (4) year plan based on average historical rates of health care costs, employer pension contributions and other miscellaneous employee benefit costs.
- Professional Services and Supplies have been projected to be \$701,100 which covers the operational costs of BURA including insurances, supplies, maintenance of BURA owned properties, legal costs, and other miscellaneous items.

In addition, the 4 year plan assumes the following:

2% Entitlement increases respectively in years 2021-2022 through 2022-2023. The fourth year of the plan assumes the same revenues and expenditures for the purpose of the four (4) year projections, as the CBA is also assumed to be negotiated through only the first 2 years of this plan.

The BURA Division of Housing oversees the Emergency Rehab for Single and Multi-Family properties, the Down-payment and Closing Cost Assistance Program, the 50/50 Program, the Target Focus Program, and the Multi-family New Construction Rehab and Conversion Program for affordable rental units. Target streets are selected by the City's network of Community Based Organizations in conjunction with the BURA Division of Community Planning.

The Division of Housing also participates in the Green and Healthy Home Initiative (GHHI), which layers resources from multiple funding streams from several government sources to reduce exposure to environmental hazards in homes.

The following overview includes current and prior year funds which are being spent in programs such as Emergency Housing Repairs and Weatherization, Down Payment Assistance, and new multi-family construction projects.

- **Hope House – 243 Sears Street – Supportive Rental Apartments**

This \$11.8 million-dollar project involves the rehabilitation and conversion of the historically significant vacant former Buffalo Public School #57. The project construction period is estimated to be eighteen months. Upon completion, the mixed-use project will provide a total of twenty-seven (27) affordable units. Twenty (20) units will be designated as permanent supportive housing apartments for homeless women and homeless women with children. It is designed as a rapid rehousing model that seeks to move homeless individuals and families into permanent housing as quickly as possible. Residents will have access to a laundry area and ample green space. In addition to the apartments, the building will house the Matt Urban Center administrative offices and program space that will serve tenants as well as community members.

Construction is substantially complete. Hope House – residential is 100% complete; Start of construction June 2018-anticipated completion between August and September 2021

- **Westminster Commons – 401 Monroe – Supportive Rental Apartments**

This \$22.6 million-dollar project will consist of redevelopment of an 8.5-acre site that will feature two (2) distinct structures and a total of eighty-four (84) units of affordable housing upon completion. The project construction period is estimated to be twelve to eighteen months.

An existing historic building, the Westminster Settlement House, will be rehabilitated and converted to accommodate commercial and community service facility space that will house a certified social adult day program, pharmacy and primary health care satellite office. In addition, a second building will be newly constructed on formerly City Owned vacant lots and will include a 76,000 square foot, four (4) story multi-family residential building that will consist of seventy-six (76) one-bedroom units and eight (8) two-bedroom units. Forty (40) units will be set aside for seniors with a severe persistent and twenty-six (26) mental illness who are homeless and those with persistent mental illness.

Construction is underway. Westminster Commons – 40% complete; Start of construction November 2019-anticipated completion August 2021.

- **Mt. Aaron Village Apartments – 695 Genesee St.**

Mt. Aaron Community Hope Builders in partnership with CB Emmanuel Realty kicked off the commenced the construction of this **\$20.4 million-dollar** new construction project. The City/BURA has allocated **\$800,000 in HOME** funds to support the project's completion. Construction is underway.

Mt. Aaron Village involves the new construction of townhomes and multi-family apartment buildings on nineteen (19) vacant residential lots on Adams, Genesee and Grey Streets that are currently owned by the City of Buffalo and Buffalo Economic Renaissance Corporation. The project will consist of 59 units in four multi-family rental buildings. Of the four, one will be a three-story building with 16 one-bedroom units and 27 two-bedroom units. The other three buildings will have a total of 16 two-story, three-bedroom townhomes. Eighteen (18) units will be set aside for homeless households that include a head of household with a substance abuse disorder or mental illness and their children. Five (5) units will be fully accessible and three (3) units made available for sensory impaired tenants. All units will be affordable to households with incomes at or below 60% of Area Median Income. Eleven (11) units will be designated as HOME assisted.

Additionally, the proposed project buildings will include community service facilities to provide supportive services such as: care management, behavioral health treatment, substance use disorder treatment programs, assistance with living/life skills, access to financial literacy programs, health screenings, job fairs and other community related activities.

The project will have on-site parking and pedestrian connections to existing pedestrian infrastructure, as well as access to nearby NFTA public bus routes. As a part of the project, through a partnership with Roswell Park Institute, which is located 0.9 of a mile and within walking distance and on a bus route, intends to provide job/employment linkage, information and skill building services to the projects residents and refer its employees to the workforce housing created through this effort.

Construction is underway. Construction is underway. Mt. Aaron Village is 25% complete. Start of construction August 2020-anticipated completion between June and August 2022.

- **Trinity One Apartments – 917-921 E. Delavan Avenue – Rental**

This \$2.3 million-dollar project will consist of the substantial rehabilitation and conversion of a vacant 17,000 square foot 2-story masonry building into eight (8) units of affordable rental housing. The project construction period is estimated to be twelve to eighteen months. The unit mix will include 2 two (2) bedroom units and 6 one-bedroom units. Two (2) will be full accessible and one unit made available for sensory impaired tenants. All units will be available to residents who have incomes at or below 60% of Area Median Income. An adjacent existing garage will be demolished to make space available for four (4) parking spaces. All units will include a washer and dryer.

Construction is substantially complete. Trinity One Apartments – 100% complete; Start of construction November 2019-anticipated completion between November 2020 and April 2021.

- **2201-2209 Fillmore Avenue – Mixed use commercial and residential rehabilitation - Rental**
This \$1.3 million dollar mixed-use project will consist of rehabilitating two (2) existing vacant 2-story brick buildings. Upon completion, 2201 Fillmore will have two 2-bedroom apartments on the second floor with commercial space on the first floor and 2209 Fillmore will have four 1-bedroom apartments on the second floor with commercial space on the first floor. All six (6) units will be HOME assisted and made affordable to tenants with low to moderate incomes.

Exterior renovations include façade alterations with new windows, new storefronts and the repair of the masonry structure. Site plan modifications call for landscaping, with off-street parking between the two buildings.

Construction is underway. Fillmore Apartments – 65% completed; Start of construction December 2019, anticipated completion delayed, developer securing additional financing needed to address unforeseen project site challenges; adjusted completion date is between February and May 2022.

- **892 Genesee Street/Polly Jean Suites – Adaptive reuse/conversion - Permanent supportive rental apartments**

My Place Home for the Homeless has been allocated \$125,000 in HOME funds to support the completion of this \$1.7 Million-dollar project. The project involves the historic preservation, adaptive reuse and conversion of a formerly vacant commercial structure into eight (8) units of affordable permanent housing for those experiencing homelessness. Six (6) studio apartments and two (2) one-bedroom apartments will be created in this formerly vacant bank/office building located in the Genesee/Herman section of the Fillmore District. Supportive services will also be available to tenants as well as an on-site management office and common laundry facilities.

Construction is underway. Polly Jean Suites is 15% complete; Start of construction September 2020, anticipated completion February and May 2022.

- **Main Utica Square Apartments – 1373 Main Street – Adaptive reuse/conversion – Rental Apartments**

BURA has allocated **\$1,086,960.00 in HOME funds** to the Bethesda Community Development Corporation for the Main Utica Square Apartments. This project will convert and adaptively reuse the vacant second floor of this commercial structure into six (6) HOME assisted rental units.

Upon completion the project will consist of a mix of four (4) one-bedroom and two (2) two-bedroom apartments. Rents will be affordable to households whose annual income is at or below 80% of Area Median, with two (2) units targeted to persons whose household income does not exceed 50% of AMI.

Built in 1909, the original building configuration included commercial space on the first floor and office space on the second floor. The first floor will remain commercial and maintains a high rate of occupancy as quality commercial space near downtown remains scarce.

Located at the Corner of Main Street and E. Utica, the project sits adjacent the Main-Utica NFTA Metro Rail station and is accessible by several bus line along Main Street. The project site is within walking distance of the Buffalo Niagara Medical Campus and meets a growing need for affordable rental options for lower wage earners working nearby. A small parking area will also be provided for the residents.

Construction is underway. Main Utica Square Apartments is 28% complete; Start of construction January 2021, anticipated completion December 2021 and March 2022.

- **WNY Veteran’s Housing Coalition – Former BPS #75 Apartments**

The WNY Veterans School 75 Redevelopment is a **\$29.1 million-dollar** sixty-five (65) unit affordable housing project that is comprised of five (5) sites that include a total of twenty-six (26) parcels. Site #1 includes a vacant 3-story brick school (Public School 75). The remaining four (4) sites are comprised of vacant adjacent parcels of land-38 Howard, 86 Howard, 70 Adams and 71 Adams. School 75, located at 57 Howard, was closed in 1979 and used for other purposes until approximately 10 years ago. The project has been allocated **\$850,000 in City/BURA HOME funding** in support of the project.

The project will involve the historic adaptive reuse of School 75 into a mix of 47 studio, 1 and 2-bedroom apartments, residential common space, and commercial space that will be occupied by the WNYVHC as its new corporate offices. The 47 residential apartments will include four (4) studio units, forty-one (41) 1-bedroom units and two (2) 2-bedroom units. Of the total 47 units, 33 will be for permanent supportive housing units for Veterans who are Homeless with incomes at or below 30% of median income. The remaining units will be for households at or below 50% of median income. The residential common area spaces will include a community room, interior courtyard, laundry room and property management space. WNYVHC will occupy the remaining 2,600 square feet of commercial space as their new corporate offices.

The project’s twelve (12) new construction homes will contain eighteen (18) rental units, including seven (7) 2-bedroom apartments for households with incomes at or below 50% AMI and eleven (11) 2-bedroom apartments for households with incomes at or below 60% AMI.

Construction is underway. WNY Veteran’s is 15% complete; Start of construction January 2021, anticipated completion July and September 2022.

- **Hispanos Unidos de Buffalo Inc. – La Plaza de Virginia – 253-269 Virginia**

La Plaza de Virginia is a **\$16.9 million-dollar** forty-six (46) unit affordable rental project that is comprised of four (4) parcels encompassing most of the block on the southeasterly side of Virginia Street between West Avenue and 10th Street. The has been allocated **\$950,000 in City/BURA HOME funding** in support of the project’s completion.

La Plaza de Virginia includes the redevelopment of vacant parcels and the demolition and reconstruction of a blighted structure located at 269 Virginia Street. The project site is directly across the street from Hispanos Unidos Headquarters and main administrative offices.

This supportive housing project, upon its completion, will contain forty-six (46) 1-bedroom rental units for very low- and low-income senior citizens ages 55 and older. La Plaza will also include a restaurant/café, laundry room, community room, space for HUB’s Senior Recreational Program, Social Day Care and other senior service programs, as well as office space for other not for profits.

Fourteen (14) of the units will be for homeless frail elderly/seniors; these individuals will be provided with comprehensive support services.

Construction is underway. La Plaza de Virginia is 15% complete; Start of construction September 2020, anticipated completion June and August 2022.

The Planning Division coordinates community improvements throughout the city, with an emphasis on addressing needs in low- and moderate-income neighborhoods. Planning staff are involved with housing, tax foreclosure, vacant and abandoned properties, demolitions, public infrastructure improvements, and strengthening neighborhoods commercial corridors. Efforts require working with public, non-profit, and private entities to meet agreed-upon goals and objectives.

The Division has also been able to secure grant funding through LISC's zombie program and Enterprise's Cities RISE program. These funds are being used to provide additional support for addressing abandoned properties and code enforcement issues.

BURA has received two Non-Federal awards from the Local Initiatives Support Corporation. The first award, for \$350,000, concluded in January 2020. The second award, for \$472,150, began subsequent to the first award. The first of four installments on the second award was recorded in January 2020, in the amount of \$85,150. This award is being utilized to continue several activities impacting "zombie" properties in the city, including:

- Hiring a consultant to identify vacant and abandoned properties throughout the city.
- BURA hired a project manager to manage data on vacant and abandoned properties, and to set up a system for addressing problem properties before they reach this level of neglect.
- Technology to support data sharing between City departments, in order to gain a comprehensive view of where vacant properties exist within the city.

BURA has also received two Non-Federal awards from Enterprise Community Partners. The first award, for \$80,000 was received in October 2018. The second award, for \$958,983, was received in January 2020. This award is being utilized for several activities impacting code enforcement in the city, including:

- Engaging neighborhood residents regarding code enforcement issues and providing micro-grants to block clubs for local improvements.
- Educating building inspectors on proactive approaches to code enforcement.
- Setting up a loan fund to assist property owners with lead remediation and other home repairs.

**CITY OF BUFFALO URBN RENEWAL AGENCY
OPERATING BUDGET & FOUR YEAR PLAN**

| FOR THE FISCAL YEARS | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 |
|--|----------------------|----------------------|----------------------|----------------------|
| ENTITLEMENT & GENERAL FUND OPERATING BUDGETS | | | | |
| Grant Revenues and Related Income | | | | |
| Community Development Block Grant (CDBG) | \$ 7,182,552 | \$ 7,342,157 | \$ 7,504,954 | \$ 7,504,954 |
| CDBG Interest/Rental Income | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| HOME Investments Partnership Program | \$ 3,388,479 | \$ 3,456,249 | \$ 3,525,374 | \$ 3,525,374 |
| CDBG Program Income | \$ 800,000 | \$ 800,000 | \$ 800,000 | \$ 800,000 |
| HOME Program Income | \$ 120,000 | \$ 120,000 | \$ 120,000 | \$ 120,000 |
| CDBG CV | \$ 6,576,298 | \$ 3,576,299 | \$ 1,288,149 | \$ - |
| Treasury Income | \$ 622,770 | \$ 134,440 | \$ - | \$ - |
| Lead Hazard Grant Income | \$ 1,019,477 | \$ 741,438 | \$ 92,680 | \$ - |
| Evans Fund | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| Cities Rise | \$ 530,000 | \$ 330,000 | \$ - | \$ - |
| LISC | \$ 360,916 | \$ - | \$ - | \$ - |
| General Fund Revenues | \$ 485,000 | \$ 485,000 | \$ 485,000 | \$ 485,000 |
| | <u>\$ 21,305,492</u> | <u>\$ 17,205,583</u> | <u>\$ 14,036,157</u> | <u>\$ 12,655,328</u> |
| Grant Expenditures | | | | |
| CDBG Crime Prevention | \$ 202,300 | \$ 202,300 | \$ 202,300 | \$ 202,300 |
| CDBG ER Loan Program Costs | \$ 3,500,000 | \$ 3,570,000 | \$ 3,641,400 | \$ 3,641,400 |
| CDBG Program Delivery | \$ 1,495,000 | \$ 1,524,900 | \$ 1,555,398 | \$ 1,555,398 |
| CDBG CV Program Costs | \$ 6,032,498 | \$ 3,128,623 | \$ 1,035,149 | \$ - |
| CDBG CV Program Delivery | \$ 193,800 | \$ 197,676 | \$ 153,000 | \$ - |
| Treasury Program | \$ 442,770 | \$ 124,440 | \$ - | \$ - |
| Lead Hazard Program Costs | \$ 1,019,477 | \$ 741,438 | \$ 92,680 | \$ - |
| HOME CHDO @15% | \$ 508,272 | \$ 518,437 | \$ 528,806 | \$ 528,806 |
| HOME Program Delivery | \$ 60,000 | \$ 60,000 | \$ 60,000 | \$ 60,000 |
| HOME Program Costs | \$ 2,589,359 | \$ 2,640,186 | \$ 2,692,030 | \$ 2,692,030 |
| Cities Rise | \$ 530,000 | \$ 330,000 | \$ - | \$ - |
| Evans Fund Program Costs | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| LISC Program Costs | \$ 360,916 | \$ - | \$ - | \$ - |
| | <u>\$ 16,954,392</u> | <u>\$ 13,058,001</u> | <u>\$ 9,980,763</u> | <u>\$ 8,699,934</u> |
| Admin & Planning Costs | | | | |
| CDBG Admin @20% cap (on total CDBG Award) including Program Income | \$ 2,985,252 | \$ 3,044,957 | \$ 3,105,856 | \$ 3,105,856 |
| CDBG CV Admin | \$ 350,000 | \$ 250,000 | \$ 100,000 | \$ - |
| HOME Admin Costs @10% cap including Program Income | \$ 350,848 | \$ 357,625 | \$ 364,537 | \$ 364,537 |
| Treasury Admin | \$ 180,000 | \$ 10,000 | \$ - | \$ - |
| General Fund Costs | \$ 485,000 | \$ 485,000 | \$ 485,000 | \$ 485,000 |
| | <u>\$ 4,351,100</u> | <u>\$ 4,147,582</u> | <u>\$ 4,055,394</u> | <u>\$ 3,955,394</u> |
| | <u>\$ 21,305,492</u> | <u>\$ 17,205,583</u> | <u>\$ 14,036,157</u> | <u>\$ 12,655,328</u> |
| Variance | \$ - | \$ - | \$ - | \$ - |
| BURA Admin Costs | | | | |
| CDBG Salaries | \$ 1,700,000 | \$ 1,734,000 | \$ 1,768,680 | \$ 1,768,680 |
| CDBG Fringe | \$ 1,020,000 | \$ 1,075,080 | \$ 1,131,955 | \$ 1,131,955 |
| CDBG Overhead | \$ 265,252 | \$ 235,877 | \$ 205,221 | \$ 205,221 |
| CDBG CV Admin | \$ 350,000 | \$ 250,000 | \$ 100,000 | \$ - |
| HOME Salaries | \$ 200,000 | \$ 204,000 | \$ 208,080 | \$ 208,080 |
| HOME Fringe | \$ 120,000 | \$ 126,480 | \$ 133,171 | \$ 133,171 |
| HOME Overhead | \$ 30,848 | \$ 27,145 | \$ 23,286 | \$ 23,286 |
| Treasury Admin | \$ 180,000 | \$ 10,000 | \$ - | \$ - |
| General Fund Salaries | \$ 50,000 | \$ 51,000 | \$ 52,020 | \$ 52,020 |
| General Fund Fringe | \$ 30,000 | \$ 30,600 | \$ 32,252 | \$ 32,252 |
| General Fund Overhead | \$ 405,000 | \$ 403,400 | \$ 400,728 | \$ 400,728 |
| | <u>\$ 4,351,100</u> | <u>\$ 4,147,582</u> | <u>\$ 4,055,394</u> | <u>\$ 3,955,394</u> |
| Variance | \$ - | \$ - | \$ - | \$ - |